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December 6, 2004

EX PARTE COMMUNICATION

Chairman Michael Powell **Federal Communications Commission** The Portals 445 12th Street SW Room 8-B201 Washington, DC 20554



Re: Access to Unbundled Network Elements, WC Docket No. 03-225

Dear Chairman Powell:

This letter is submitted on behalf of the Florida Public Telecommunications Association, Inc. ("FPTA") in the above referenced docket to earnestly request that, as the Commission acts on pending revisions of the Unbundled Network Element ("UNE") rules, it assures that payphone providers continue to have competitive alternatives for the local network interconnection that is so integral and essential to their provision of widespread public pay telephone service.

As a former payphone operator before, during and after the 9-11 crises, I can readily confirm the critical nature of pay telephone service in providing reliable services in times of emergency. Although payphones are often thought of these days as "old fashioned" technology, it was the tried and true pay telephone that provided a working communications medium when the twin towers came down in lower Manhattan. As cell service failed due to facilities destruction and/or severe traffic overload, citizens found that payphones continued to work when the need was greatest. Similarly, in the recent massive power blackouts experienced in the Northeast, payphones proved their ongoing value as a functional means of communication in time of public emergency—providing the means to make a call when wireless modalities were rendered non-functional. Just this year, when Florida experienced an unprecedented barrage of devastating hurricanes, it was the "age old" payphone that provided essential communications capabilities to thousands of citizens facing disaster and with no other working means to make their calls.

This capacity for payphones to provide emergency assistance is not limited to isolated "public crises" occurrences. Rather, pay telephones provide our citizens with 24/7/365 toll free access to 911 Emergency services as an ongoing part of our public communications infrastructure. And, beyond just emergency circumstances, public



Page -2-Chairman Powell December 6, 2004

payphones provide widespread access to a host of governmental, community and social service organizations—which helps a broad spectrum of citizens and visitors to our country each and every day. In fact, payphones serve as a very real form of "lifeline" communications for millions of Americans who don't have a home phone, can't afford a cell phone or are simply "homeless".

For all these reasons, as you know, the Communications Act mandates widespread deployment of pay telephone service in our nation. And while wireless and broadband innovations continue to move us ahead in the ongoing evolution of communications technology and innovation, this national payphone policy continues to be most relevant and important in the life of country, its citizens and visitors to our land.

It is against this backdrop that I write to implore you to help assure that revisions to the UNE rules take account of the severe potential impact on public pay telephone service. The link between the two is very simple and straightforward: the single largest cost of deploying and maintaining a payphone is the cost of local phone service. Given the overall financial pressures under which the industry must operate, this has never been truer than it is today. The plain fact is that the vast majority of payphones in Florida, and many other states, have relied on UNE-P competitive local service provisioning to obtain the lowest local phone rates that have enabled a minimally acceptable level of payphone deployment to remain in place. In this regard, it took approximately seven (7) years for the Florida PSC to implement a "new services test" rate as intended by the Commission and this rate is still priced higher than available UNE-P based competitive local services. While BellSouth was a player in the payphone business, the motivation to keep its payphone line rates high was apparent. Now that BellSouth has completely exited the payphone business earlier this year, the motive is a bit more subtle but still present: as a partner in the nation's largest cellular provider, it is beneficial to encourage migration away from payphones and towards wireless services. This, however, is not a strategy or outcome that will serve the public interest, nor one that the Commission should allow itself to become party to.

Once again, payphones are typically used for basic, essential communications and do not transmit data or require broadband channels. As such, internet connectivity does not provided a viable competitive transmission medium for pay telephones, and the local phone competition coming about in this area does not provide a practical means of rate or service relief for payphone providers. Instead, UNE-P continues to represent the only viable competitive alternative for local dial tone to hook up a public payphone in the current telecommunications landscape. Moreover, without UNE-P there is no effective market "check" on what payphone providers may be charged by the incumbent local phone companies.

Page -3-Chairman Powell December 6, 2004

Many thousands of payphones have already been removed from service here in Florida and across the nation. Without UNE-P, another large portion of our embedded payphone base will disappear from the landscape and the American public will suffer the consequences. On behalf of the FPTA, our members and our fellow payphone service providers across the nation—please do not allow this to happen. Instead, I urge you to take whatever steps are necessary to ensure that the FCC's revised UNE rules preserve competitive local service alternatives for payphones.

Thank you in advance for your thoughtfulness and consideration.

Sincerely,

Bruce W. Renard, Executive Director

Cc: Florida Congressional Delegation